



**MONTANA**

DEPARTMENT OF COMMERCE

COMMUNITY DEVELOPMENT DIVISION

EXHIBIT 13  
DATE Jan. 14, 2013  
HB 11

*Addendum to*  
**Governor's 2015 Biennium  
Executive Budget  
Volume 4**

**TREASURE STATE ENDOWMENT PROGRAM**

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# *Addendum to Governor's 2015 Biennium Executive Budget Volume 4*

In accordance with the language of HB 351, those 2013 biennium TSEP projects that did not complete start-up conditions by January 1, 2013, must be reviewed by the 63rd Legislature to determine if those grant should be withdrawn.

As of January 1, 2013, the following four 2013 Biennium project grants did not meet start-up conditions:

- City of Deer Lodge
- Town of Eureka
- Lincoln County
- Lockwood Water and Sewer District

All other 2013 biennium TSEP projects met start-up conditions by the January 1, 2013 deadline. This addendum provides updates on those projects outstanding as of the November 2012 publication of the Governor's TSEP Report to the Legislature.



This application received 3,800 points out of a possible 5,000 points and ranked 14<sup>th</sup> out of 59 for funding in the 2013 biennium. The Legislature awarded a TSEP Project Grant to Augusta Water & Sewer District for the 2013 Biennium in the amount of \$295,000.

Funding Source	Type of Funds	Amount	Status of Funds
Commerce	TSEP Grant	\$295,000	Grant awarded
SRF	Loan	\$316,000	Loan approved
DNRC	RRGL Grant	\$100,000	Not awarded
<b>Project Total</b>		<b>\$611,000</b>	

Median Household Income:	\$24,688	Total Population:	300
Percent Non-TSEP Matching Funds:	50%	Number of Households:	142

	Monthly Rate	Percent of Target Rate		Monthly Rate	Percent of Target Rate
Existing Water Rate:	NA	-	Target Rate:	\$18.52	-
Existing Wastewater Rate:	\$17.75	96%	Rate With Proposed TSEP Assistance:	\$21.21	115%
Existing Combined Rate:	NA	-	Rate Without TSEP Assistance:	\$26.46	143%

#### Project Summary

**History** – The wastewater system in the unincorporated community of Augusta was constructed after the formation of a rural improvement district (RID) in the early 1960s. The collection system is composed of approximately 13,000 feet of eight-inch and approximately 1,200 feet of 12-inch clay tile pipe, and 44 manholes, most of which are pre-cast concrete. Due to a leaking lagoon, a water and sewer district was formed in 1997, and a new total retention lagoon treatment facility was constructed. Approximately 7,000 feet of new outfall line was installed from the collection system out to the new treatment facility, and approximately 10,000 feet or 75% of the existing collection system was replaced. Residents are served by individual wells.

**Problem** – The wastewater system has the following deficiencies:

- ☐ sewers mains with collapsed sections, cracked and broken pipes, inadequate slopes, and sags, and
- ☐ backups of sewage into residences and businesses.

**Solution** - The project would:

- ☐ replace or install approximately 3,600 feet of sewer mains,
- ☐ install approximately 12 new manholes, and
- ☐ re-connect approximately 50 service lines.

**Project Status** – As of January 1, 2013, all start-up conditions were met.

**Brady County Water & Sewer District  
Pondera County  
Water System Improvements  
TSEP Project Grants  
2013 Biennium**

This application received 4,010 points out of a possible 5,000 points and ranked 6<sup>th</sup> out of 59 applications. The Legislature awarded a TSEP Project Grant to Brady County Water & Sewer District for the 2013 Biennium in the amount of \$750,000.

Funding Source	Type of Funds	Amount	Status of Funds
Commerce	TSEP Grant	\$ 750,000	Grant awarded
Commerce	CDBG Grant	\$ 450,000	Grant awarded
USDA	RD Grant	\$ 1,540,000	Grant awarded
USDA	RD Loan	\$ 400,000	Loan approved
<b>Project Total</b>		<b>\$3,140,000</b>	

Median Household Income:	\$26,858	Total Population:	173
Percent Non-TSEP Matching Funds:	55%	Number of Households:	81

	Monthly Rate	Percent of Target Rate		Monthly Rate	Percent of Target Rate
Existing Water Rate:	\$50.00	-	Target Rate:	\$51.48	-
Existing Wastewater Rate:	\$38.00	-	Rate With Proposed TSEP Assistance:	\$111.45	216%
Existing Combined Rate:	\$88.00	171%	Rate Without TSEP Assistance:	\$143.38	279%

**Project Summary**

**History** – The water system in the Brady consists of distribution mains constructed in 1948, a water storage tank constructed in 1949, and a treatment plant constructed in 1993. The conventional type treatment plant consists of rapid mix, flocculation, clarification, filtration, and chlorine disinfection. The Brady County Water District was created in 1993 and re-formed as a county water and sewer district in 2003 when it also took over the wastewater system. The district is under an administrative order on consent for exceeding the maximum contaminant levels (MCL) related to disinfectant by-products. The district has been required to send notices to its users describing the problems and encouraging users to refrain from drinking the water.

**Problem** – The water system has the following deficiencies:

- ☐ treatment exceeds the MCL's for TTHM and HAA5,
- ☐ system does not comply with rules for cryptosporidium removal, and
- ☐ various equipment issues in the treatment plant that are needed for the plant to run more efficiently.

**Solution** – The project would:

- ☐ install membrane filtration; ultra violet disinfection; a backflow preventer on the lines between the surface wash arms for the filters and the clearwell and between the process water for the chemical room and the clearwell; flow control valves between the raw water pumps and the two trains; gas chlorination detection alarm for operator safety; a chlorine analyzer that automatically adjusts chlorine levels in the finished water and will shut down the plant if there is a loss of chlorine or insufficient residual to meet the contact time requirements; automated blow-offs for the tube settlers with new solenoid valves; sample pump; auto dialer to alert operator of plant problems; and new chemical metering pumps.
- ☐ automate the treatment plant; and
- ☐ replace clearwell and high service pump level controls; filter controls with new valves and pressure switches; turbidity meters; backwash pump; and turbidity sample pump for #1 filter.

**Project Status** – As of January 1, 2013, all start-up conditions were met.

This application received 3,715 points out of a possible 5,000 points and ranked 19<sup>th</sup> out of 59 for funding in the 2013 biennium. The Legislature awarded a TSEP Project Grant to the City of Deer Lodge for the 2013 Biennium in the amount of \$500,000.

Funding Source	Type of Funds	Amount	Status of Funds
RD	RD Grant/Loan	\$10,520,796	Awaiting confirmation of award
Commerce	TSEP Grant	\$ 500,000	Awarded, grantee has not met start up
DNRC	RRGL Grant	\$ 100,000	Awarded
City	Cash	\$ 350,000	Status as of October 2012 letter
<b>Project Total</b>		<b>\$11,101,796</b>	

Median Household Income:	\$29,859	Total Population:	3,421
Percent Non-TSEP Matching Funds:	89%	Number of Households:	1,224

	Monthly Rate	Percent of Target Rate		Monthly Rate	Percent of Target Rate
Existing Water Rate:	\$33.61	-	Target Rate:	\$57.23	-
Existing Wastewater Rate:	\$15.97	-	Rate With Proposed TSEP Assistance:	\$67.95	119%
Existing Combined Rate:	\$49.58	87%	Rate Without TSEP Assistance:	\$69.69	122%

#### Project Summary

**History** – The wastewater treatment facility in Deer Lodge was constructed in 1985. It consists of a three-cell aerated lagoon, one settling cell, and ultraviolet (UV) disinfection. A portion of the collection system was slip lined in 2009. In 1998, as a participant of the voluntary nutrient reduction program, Deer Lodge signed a memorandum of understanding volunteering to reduce summertime nutrient loading into the Clark Fork River by diverting 100% of their wastewater effluent to land application. The city's current discharge permit requires zero discharge of total nitrogen and total phosphorus to the river from June 21 through September 21. In 2000, the city constructed a land application system on the Grant Kohrs Ranch National Historic Site adjacent to the treatment facility.

**Problem** – The wastewater system has the following deficiencies:

- ☐ The Grant Kohrs Ranch has informed the city that the land application system will no longer be allowed to be used after the 2010 season, and there are no alternate land application sites available at or adjacent to the treatment plant,
- ☐ UV disinfection system is at the end of its service life, with only one of two units currently operating,
- ☐ cell four is unlined and most likely a source of some infiltration into the plant,
- ☐ lagoon only provides 14 days of storage instead of the required 20 days,
- ☐ approximately four feet of sludge in cell one,
- ☐ treatment plant cannot meet the existing biochemical oxygen demand (BOD) and total suspended solids (TSS) removal requirements,
- ☐ four permit violations for E. coli in the past two years,
- ☐ treatment plant cannot meet the anticipated ammonia limits required in 2011 permit, and
- ☐ collection system has an excessive amount of inflow and infiltration (I&I), estimated at 550 gallons per capita per day during summertime peaks.

**Solution** – The project would: install larger land application pumps at the treatment plant; new UV disinfection equipment at the treatment plant; new lift station and new force main to convey effluent to new land application site; new center pivot(s) on approximately 200 acres; and construct a new storage basin.

**Project Status** – As of January 1, 2013, the City of Deer Lodge did not meet start-up conditions. A letter dated December 7, 2012 from Mayor Fraley indicates that the Town intends to meet start-up conditions, but will not be able to by the December 31<sup>st</sup> deadline. The City has not yet gained firm commitment of non-TSEP funding sources, is currently working with its accountant to finalize audit reports for the last three years, the environmental process is still underway and a cultural landscape assessment is pending



This application received 3,654 points out of a possible 5,000 points and ranked 22<sup>nd</sup> out of 59 applications. The Legislature awarded a TSEP Project Grant to the Town of Eureka for the 2013 Biennium in the amount of \$625,000.

Funding Source	Type of Funds	Amount	Status of Funds
USDA	RD Loan	\$1,094,000	Application submitted in 2011
Commerce	TSEP Grant	\$ 625,000	Grant awarded
Commerce	CDBG Grant	\$ 450,000	Grant not awarded
USDA	RD Grant	\$ 321,000	Application submitted in 2011
DNRC	RRGL Grant	\$ 100,000	Awarded
<b>Project Total</b>		<b>\$2,140,000</b>	

Median Household Income:		\$27,120	Total Population:		1,387
Percent Non-TSEP Matching Funds:		76%	Number of Households:		573
	Monthly Rate	Percent of Target Rate		Monthly Rate	Percent of Target Rate
Existing Water Rate:	\$41.93 (Midvale) \$31.50 (Eureka)	-	Target Rate:	\$51.98	-
Existing Wastewater Rate:	\$42.48 (Eureka)	-	Rate With Proposed TSEP Assistance:	\$73.85 (Midvale)	142%
Existing Combined Rate:	NA	-	Rate Without TSEP Assistance:	\$79.43	153%

As a result of the proposed project, the average residential wastewater rate decreases for the town's existing users to \$31.92 because of the additional connections added to the system, which allow expenses to be spread out among a greater number of connections.

#### Project Summary

**History** – The proposed project area includes Midvale, which is an unincorporated residential area immediately north of and adjacent to the Town of Eureka, a rural residential area, and a significant commercial corridor along U.S. Highway 93. The area has a water system, but wastewater disposal is accomplished by individual septic tank systems. The town's wastewater treatment system was upgraded in 2003 and has the capacity to serve the proposed project area. The Midvale community would be annexed into the town.

**Problem** – The lack of a centralized wastewater system in the project area has resulted in the following problems:

- ☐ soils in the areas allow effluent to rapidly seep into the underlying groundwater with minimal treatment,
- ☐ approx.. 90% of the septic systems in the area are 20-30 years old with numerous instances of deteriorated or failing conditions,
- ☐ DEQ has classified the area as medium and high hazard for risk of groundwater contamination due to the density of septic tank/drain field systems,
- ☐ groundwater quality samples show conditions corresponding with an appreciable density of septic tank/drain field systems: nitrate levels are elevated (three-four times higher) compared to immediately adjacent areas, and numerous and repetitive instances of bacteriological contamination of water supply systems in the area; and
- ☐ a portion of the town's piping, the headworks, and the primary wastewater pumps require improvements to properly carry the additional flow.

**Solution** – The project would:

- ☐ construct approximately 23,000 feet of eight to 10-inch gravity collection lines (a small portion will be served by grinder pumps and small diameter, low-pressure sewer lines due to the lower terrain);
- ☐ replace approximately 1,000 feet of eight-inch piping in the town, and the existing pumps in the town's primary pumping station; and
- ☐ lower the comminutor device in the headworks.

**Project Status** – As of January 1, 2013, the Town of Eureka did not meet start-up conditions. TSEP received a letter on December 28, 2012 outlining that commitment of non-TSEP funds has not been met and financial reporting requirements to the state are not current. TSEP staff has had regular communication with Eureka to assist in attempting to meet start up conditions.

**Fergus County  
Bridge System Improvements  
TSEP Project Grant  
2013 Biennium**

This application received 3,772 points out of a possible 5,000 points and ranked 16<sup>th</sup> out of 59 applications. The Legislature awarded a TSEP Project Grant to Fergus County for the 2013 Biennium in the amount of \$276,157.

Funding Source	Type of Funds	Amount	Status of Funds
Commerce	TSEP Grant	\$ 77,342	Grant awarded
County	Cash	\$ 77,342	Committed by resolution, partially expended on PER
<b>Project Total</b>		<b>\$154,684</b>	

Median Household Income:	\$30,409	Total Population:	11,496
Percent Non-TSEP Matching Funds:	50%	Number of Households:	4,860

### Project Summary

**History** – Fergus County has identified three bridges that are in critical condition and in need of replacement.

- ❑ Ployhar Road Bridge crosses Coyote Creek approximately six miles southwest of the Town of Denton. The 16-foot bridge is a single-span, timber structure constructed in 1976. The road provides access to a number of farms and ranches in the area, and the grain elevator located in Moccasin. Traffic volume is estimated to be 30 to 35 vehicles per day. The bridge is not posted. Closure of the bridge would result in a 10-mile detour from one side of the bridge to the other side.
- ❑ Paradise Road Bridge crosses Dog Creek approximately one mile west of the Town of Winifred. The 17-foot bridge is a single-span timber structure constructed in 1983. The road provides access to a number of farms and ranches in the area. In addition, this road has been used by natural gas exploration companies. Traffic volume is estimated to be 20 to 30 vehicles per day. The bridge is not posted. Closure of the bridge would result in a 13-mile detour from one side of the bridge to the other side.
- ❑ Kendall Road Bridge crosses Bull Creek approximately 0.25 miles west of the community of Hilger. The 16-foot bridge is a single-span timber structure constructed in 1976. The road provides access to a number of farms and ranches in the area, as well as the Historic Kendall Mine and a local camp. Traffic volume is estimated to be 25 to 30 vehicles per day. The bridge is posted at 13 tons. Closure of the bridge would result in a 13-mile detour from one side of the bridge to the other side.

**Problem** – The three bridges have the following deficiencies.

- ❑ The Ployhar Road Bridge has a sufficiency rating of 39.7. Deficiencies include: bridge and approaches lack railing and end treatments; timber girders have cracking throughout and crushing at bearing points; timber backwalls have significant fill pressure, with fill material sifting through backwall planks; timber wingwalls are failing; rotation and crushing of timber caps; timber running planks are worn and cracking; and the load restriction precludes the use of the bridge by some farm and commercial vehicles.
- ❑ The Paradise Road Bridge has a sufficiency rating of 39.8. Deficiencies include: bridge and approaches lack railing and end treatments; timber girders have significant cracking and crushing at bearing point; timber backwalls are bulging and pushing on piles, and have areas of cracking and rot; timber wingwalls are failing; timber running planks are worn and cracking; and the load restriction precludes the use of the bridge by some farm and commercial vehicles.
- ❑ The Kendall Road Bridge has a sufficiency rating of 44.5. Deficiencies include: bridge and approaches lack railing and end treatments; timber girders have significant cracking; timber cap on east abutment has significant crushing; timber backwalls and bulging and pushing on piles, have areas of cracking and rot; timber wingwalls are failing; timber running planks are worn and cracking; and the load restriction precludes the use of the bridge by some farm and commercial vehicles.

**Solution** – The project would replace all three bridges with aluminum box culverts.

**Project Status** – As of January 1, 2013, all start-up conditions were met.

**Lincoln County  
Bridge System Improvements  
TSEP Project Grant  
2013 Biennium**

This application received 3,674 points out of a possible 5,000 points and ranked 20<sup>th</sup> out of 59 applications. The Legislature awarded a TSEP Project Grant to Lincoln County for the 2013 Biennium in the amount of \$287,827.

Funding Source	Type of Funds	Amount	Status of Funds
TSEP	Grant	\$287,827	Awarded, grantee has not met start up
County	Cash	\$287,828	Committed by resolution, partially expended on PER
<b>Project Total</b>		<b>\$575,655</b>	

Median Household Income:	\$26,754	Total Population:	18,835
Percent Non-TSEP Matching Funds:	50%	Number of Households:	7,764

#### Project Summary

**History** – Lincoln County has identified two bridges that are in critical condition and in need of replacement.

- ❑ The Homestead Drive Bridge is located approximately five miles southwest of the Town of Eureka, crossing Pinkham Creek. Originally, the 65-foot single-span bridge was constructed in 1914 and utilized as a railroad bridge. The bridge was salvaged in the 1980s with a concrete sill added to the foundation, and a corrugated metal decking was installed in 2003. The road provides sole access to 20 residences of which 12 are permanent homes. There are two subdivisions in preliminary planning stages. The bridge provides access to state lands and the Kootenai National Forest. Traffic volume is estimated to be 40 vehicles per day. The bridge is posted at 13 tons.
- ❑ The Bethel Drive Bridge is located approximately 15 miles southeast of the City of Troy, crossing onto Angel Island that sits in Bull Lake. The 13-foot long, structure was probably constructed in the 1970s. The road provides sole access to 40 year-round homes, 62 seasonal residences, and 62 undeveloped lots. The road serves as a designated mail, garbage, and school bus route. There is heavy recreation use from boaters and fishermen. Traffic volume is estimated to be 250 vehicles per day. The bridge currently has no posted weight restriction.

**Problem** – The two bridges have the following deficiencies.

- ❑ The Homestead Drive Bridge has a sufficiency rating of 47.3. Deficiencies include:
  - bridge is considered as fracture critical,
  - girders and floor beams have paint loss with rust, pitting, and minor localized section loss,
  - substructure deficiencies include minor cracking of the concrete abutments,
  - the concrete abutments appear to be undersized, with shallow footing depths,
  - rail is substandard and incapable of absorbing vehicular impacts, and
  - 20-foot wide bridge is narrow and does not conform to the county's bridge standards.
- ❑ The Bethel Drive Bridge has a sufficiency rating of 78.7. Deficiencies include:
  - timber foundation is badly deteriorated with surface rot on 75% of piles,
  - timber caps are suffering from checking, section loss and surface rot,
  - bridge is poorly aligned and constricts the stream, which has resulted in loss of riprap,
  - timber stringers are in some places resting directly on the piling and subsequently are settling and moving with the rotation of the piling,
  - asphalt overlay was observed to have fairly substantial transverse cracking at the bridge ends, and
  - lacks rail and approach guardrail.

**Solution** – The project would:

- ❑ replace the Homestead Drive Bridge with a single-span precast, prestressed, concrete tri-deck beam structure, and
- ❑ replace the Bethel Drive Bridge with a single-span precast, prestressed, concrete tri-deck beam structure.

**Project Status** – As of January 1, 2013, Lincoln County did not meet start-up conditions. The Department has received no response to the award letter dated April 12, 2012. The County did not respond to an email request for an activity update sent July 6, 2012, a letter requesting an update on September 13, 2012, nor phone calls from TSEP staff to provide assistance in meeting start-up conditions.



This application received 3,610 points out of a possible 5,000 points and ranked 28<sup>th</sup> out of 59 applications. The Legislature awarded a TSEP Project Grant to Lockwood Water & Sewer District for the 2013 Biennium in the amount of \$750,000.

Funding Source	Type of Funds	Amount	Status of Funds
DEQ	SRF Loan	\$11,603,000	Loan has been approved
Commerce	TSEP Grant	\$ 750,000	Grant awarded
Army Corps	STAG/WRDA Grant	\$ 400,000	Not awarded
DNRC	RRGL Grant	\$ 100,000	Grant awarded
<b>Project Total</b>		<b>\$12,453,000</b>	

Median Household Income:	\$37,659	Total Population:	3,220
Percent Non-TSEP Matching Funds:	96%	Number of Households:	1,207

	Monthly Rate	Percent of Target Rate		Monthly Rate	Percent of Target Rate
Existing Water Rate:	\$30.00	-	Target Rate:	\$72.18	-
Existing Wastewater Rate:	NA	-	Rate With Proposed TSEP Assistance:	\$110.76	153%
Existing Combined Rate:	NA	-	Rate Without TSEP Assistance:	\$114.61	159%

#### Project Summary

**History** – While the unincorporated community of Lockwood has a public water system, it relies upon on-site septic systems for disposal of its sewage. The district has started the construction of a sewer collection system that will connect to the City of Billings wastewater treatment plant. Once completed in 2011, the first phase, which is expected to cost \$21 million, will serve 1,150 properties. The proposed project would be the second phase and would expand the collection system to serve an additional 1,207 households.

**Problem** – The lack of a centralized wastewater system has resulted in the following problems:

- ☐ nitrate levels in the groundwater are high due to the extensive number of septic and drainfield systems,
- ☐ older subdivisions in the community have small lots with limited areas for replacement of drainfield or extension of drainfields in the event of a drainfield failure, and
- ☐ newer developments are required to have large lots that can accommodate lengthy on-site drainfields, which are often expensive pressure-dosed systems due to the limited soil suitability.

**Proposed Solution** – The proposed project would install approximately 150,000 feet of gravity sewer line to serve 1,207 additional properties.

**Project Status** – As of January 1, 2013, Lockwood Water & Sewer District did not meet start-up conditions. The District does not anticipate completing a bond election until May 2013, as they are trying to secure RD funds. The environmental review process and commitment of non-TSEP funds have not been met.

**Madison County  
Bridge System Improvement  
TSEP Project Grant  
2013 Biennium**

This application received 4,022 points out of a possible 5,000 points and ranked 5<sup>th</sup> out of 59 applications. The Legislature awarded a TSEP Project Grant to Madison County for the 2013 Biennium in the amount of \$699,931.

Funding Source	Type of Funds	Amount	Status of Funds
Commerce	TSEP Grant	\$ 699,931	Grant awarded
County	Cash	\$ 699,931	Committed by resolution, partially expended on PER
<b>Project Total</b>		<b>\$1,399,862</b>	

Median Household Income:	\$30,233	Total Population:	6,851
Percent Non-TSEP Matching Funds:	50%	Number of Households:	4,671

**Project Summary**

**History** – Madison County has identified one bridge that is in critical condition and in need of replacement. The Blaine Spring Bridge is located eight miles south of the Town of Ennis across Blaine Spring Creek. The 125-foot bridge is a one-lane, single-span steel truss structure constructed in 1897. Varney Road serves as access mostly for recreationists, but also for numerous residences, area ranchers and the Ennis National Fish Hatchery. The road serves as school bus, mail, and garbage route. Traffic volume is estimated to be 290 vehicles per day. The bridge is posted at eight tons. Closure of the bridge would result in a 23-mile detour from one side of the bridge to the other side.

**Problem** – The bridge has a sufficiency rating of 31.7. Deficiencies include:

- ☐ truss is made of mild steel and showing signs of heavy corrosion,
- ☐ timber stringers and decking are exhibiting heavy checking and rotation indicating that they are undersized,
- ☐ bearings are rusted and covered with debris,
- ☐ bridge is listed as fracture critical,
- ☐ concrete substructure shows signs of deterioration including rock pockets, cracking, spalling and delamination, and
- ☐ 14-foot wide bridge is narrow and does not conform to the county's bridge standards.

**Proposed Solution** – The proposed project would replace the bridge with a new steel truss superstructure.

**Project Status** – As of January 1, 2013, all start-up conditions were met.



This application received 3,600 points out of a possible 5,000 points and ranked 29<sup>th</sup> out of 59 applications. The Legislature awarded a TSEP Project Grant to North Havre County Water District for the 2013 Biennium in the amount of \$590,000.

Funding Source	Type of Funds	Amount	Status of Funds
Commerce	TSEP Grant	\$ 590,000	Grant awarded
Army Corps	STAG/WRDA Grant	\$ 480,000	Not awarded
USDA	RD Loan	\$ 265,540	Loan approved
USDA	RD Grant	\$ 185,560	Grant awarded
DNRC	RRGL Grant	\$ 100,000	Grant awarded
District	Cash	\$ 41,250	Committed by resolution, partially expended on PER
<b>Project Total</b>		<b>\$1,182,350</b>	

Median Household Income:	\$27,308	Total Population:	90
Percent Non-TSEP Matching Funds:	50%	Number of Households:	28

	Monthly Rate	Percent of Target Rate		Monthly Rate	Percent of Target Rate
Existing Water Rate:	\$125.00	392%	Target Rate:	\$31.86	-
Existing Wastewater Rate:	NA	-	Rate With Proposed TSEP Assistance:	\$125.00	392%
Existing Combined Rate:	NA	-	Rate Without TSEP Assistance:	\$185.87	583%

#### Project Summary

**History** – The North Havre County Water District was formed in the early 1980s to assume responsibility of the water system built in the 1950s/60s by the U.S. Air Force that provided treated water to a radar base. The system includes a raw water intake on the Fresno Reservoir, a 6-inch transmission pipeline that pumps raw water approximately 20 miles to the treatment plant, a raw water storage pond system, treatment plant, and storage infrastructure. When the district took over the system, it expanded it to include area farmers and ranchers, thereby creating a small regional/rural type water system. Water is gravity-fed to approximately 35 farmers and ranchers in the area, each of whom receive the water into a separate cistern. In 1984, the military returned to the base and assisted the district with improvements to the treatment plant, including the construction of a new building and installation of two additional treatment trains. The district has operated the system since with no major improvements. In 2008, DEQ issued an administrative order against the district citing violation of various requirements. The district was placed under a boil order and began providing bottled water to customers. The administrative order requires that the district disconnect from its surface water supply. An interim service plan has been created, whereby the district will receive treated water from the City of Havre by 2010. The applicant intends to connect to the North Central Montana Regional Water Authority (NCMRWA) to supply its raw water once that system becomes operational.

**Problem** – The water system has the following deficiencies: failing control panel and SCADA system; various deficiencies at the water treatment plant, including structural integrity issues and an out-dated filtration system; both storage tanks are deteriorating and are sited on land that is not owned by the district; low pressures are experienced in the distribution system, and service meters installed in the early 1980s are in poor condition and difficult to access.

**Solution** – The project would: renovate the existing facility (re-route the pipeline servicing the bulk fill station; install new motors on existing pumps; replace the heating and ventilation (HVAC) system; remodel office, lab and storage space; and remove all filters and treatment equipment); construct a 100,000 gallon above-ground concrete storage tank; install approximately 15,480 feet of distribution pipeline, along with associated valves and appurtenances, and replace the existing meters with a drive-by, radio read metering system.

**Project Status** – As of January 1, 2013, all start-up conditions were met.

# **CONDITIONAL TSEP Project Grant**

## **Bigfork Water & Sewer District Pitkin County Water System Improvements 2013 Biennium**

This application received 3,567 points out of a possible 5,000 points and ranked 32<sup>nd</sup> out of 59 applications. The Legislature **conditionally** awarded a TSEP Project Grant to Bigfork Water & Sewer District for the 2013 Biennium in the amount of \$750,000.

Funding Source	Type of Funds	Amount	Status of Funds
DEQ	SRF Loan	\$1,410,000	Loan approved
Commerce	TSEP Grant	\$ 750,000	Grant awarded
District	Cash	\$ 494,000	Approved by resolution
<b>Project Total</b>		<b>\$2,654,000</b>	

Median Household Income:	36,116	Total Population:	2,530
Percent Non-TSEP Matching Funds:	72%	Number of Households:	1,125

	Monthly Rate	Percent of Target Rate		Monthly Rate	Percent of Target Rate
Existing Water Rate:	\$33.59	-	Target Rate:	\$69.22	-
Existing Wastewater Rate:	\$84.95	-	Rate With Proposed TSEP Assistance:	\$131.53	190%
Existing Combined Rate:	\$118.54	171%	Rate Without TSEP Assistance:	\$135.32	195%

### **Project Summary**

**History** – The Bigfork County Water and Sewer District was created in 1984 to serve a portion of the unincorporated community of Bigfork. The existing water system includes two water supply wells, transmission main, distribution piping, three storage reservoirs, booster stations and a pressure reduction station.

**Problem** – The water system has the following deficiencies:

- ☐ no backup supply well in the event that one of the two existing wells fail,
- ☐ a second transmission main is needed as a backup to the other transmission main from the well to the distribution system, because the current transmission main would not be hydraulically capable of providing the flow from an additional well, and
- ☐ no backup power source at the well house.

**Proposed Solution** – The proposed project would:

- ☐ install a new water supply well,
- ☐ install a second transmission main from the Ramsfield wells to the Chapman Hill Road, and
- ☐ install backup power at the well house.

**Project Status** – As of January 1, 2013, the district has met all start-up conditions, but TSEP does not have sufficient funds to award to the District.

## CONDITIONAL TSEP Project Grant

### City of Polson Water System Improvements 2013 Biennium

This application received 3,517 points out of a possible 5,000 points and ranked 36<sup>th</sup> out of 59 applications. The Legislature **conditionally** awarded a TSEP Project Grant to the City of Polson for the 2013 Biennium in the amount of \$625,000.

Funding Source	Type of Funds	Amount	Status of Funds
DEQ	SRF Loan	\$1,689,500	Application and award pending
Commerce	TSEP Grant	\$ 625,000	Grant conditionally awarded
DNRC	RRGL Grant	\$ 100,000	Awarded
<b>Project Total</b>		<b>\$2,414,500</b>	

Median Household Income:	\$21,870	Total Population:	5,546
Percent Non-TSEP Matching Funds:	74%	Number of Households:	2,391

	Monthly Rate	Percent of Target Rate		Monthly Rate	Percent of Target Rate
Existing Water Rate:	\$26.11	-	Target Rate:	\$41.92	-
Existing Wastewater Rate:	\$28.75	-	Rate With Proposed TSEP Assistance:	\$59.03	141%
Existing Combined Rate:	\$54.86	131%	Rate Without TSEP Assistance:	\$60.77	145%

### Project Summary

**History** – The water system in Polson consists of six groundwater wells, five concrete and two steel storage tanks, booster pumps, and several miles of distribution mains. Treatment includes chlorination, corrosion inhibitors, and an iron removal system. The city relies on several wells and storage reservoirs, but lost a primary water supply source, the Hell Roaring Creek surface water supply in 1994 due to contamination. Since then the city has actively pursued the use of groundwater resources to replace this water supply as well as provide for new growth in the area. A one million-gallon concrete storage tank and two new wells located on the west side of the Flathead River were constructed in 2001. In 2004, the water system on the west side of the Flathead River was connected to the system on the east shore (95% of the residences and businesses) with the construction of a 12-inch PVC and 14-inch PE water line that is lying on the bottom of the Flathead River. The city is currently constructing two 500,000-gallon concrete storage tanks and a radio telemetry control system. Summer lawn watering restrictions have been imposed in attempt to mitigate the problem. A city ordinance, while repealing the water moratorium, places limits on annexation and new water hookups to allow for controlled growth.

**Problem** – The water system has the following deficiencies:

- ☐ inadequate water supply to meet maximum demand and drought,
- ☐ severe corrosion occurring in a critical water storage tank,
- ☐ potential for negative pressures and cross connections in distribution system, and
- ☐ inadequate fire flows for protection of key downtown business and critical community institutions.

**Solution** – The project would:

- ☐ install a new east side well;
- ☐ clean and restore the Skyline storage tank;
- ☐ upgrade the downtown water mains by installing approximately 5,630 feet of eight-inch and 12-inch mains; and
- ☐ install approximately 5,150 feet of 10-inch east-west transfer main along Skyline Drive.

**Project Status** – As of January 1, 2013, the City of Polson has not met start-up conditions. However, Commerce does not have sufficient TSEP funds to award grant funding to the City of Polson.